162812

DEPT. OF TRANSPORTATION DOGMETS

BEFORE THE

DEPARTMENT OF TRANSPORTATION 02 APR 11 PH 2: 57 WASHINGTON, D. C.

Toint Application of

Joint Application of

AMERICAN AIRLINES, INC.

and

FINNAIR OYJ

OST-2002-12063 - J

under 49 USC 41308 and 41309 for approval of and antitrust immunity for agreement

JOINT MOTION OF AMERICAN AIRLINES, INC. AND FINNAIR OYJ FOR CONFIDENTIAL TREATMENT UNDER 14 CFR 302.12

Communications with respect to this document should be sent to:

For Finnair:

JOHN L. RICHARDSON
Crispin & Brenner, P.L.L.C.
1156 15th Street, N.W.
Suite 1105
Washington, D.C. 20005
(202) 371-2258
(202) 828-0158 (fax)
jrichardson@crispinandbrenner.
com (email)

For American Airlines:

HENRY C. JOYNER
Senior Vice President Planning
American Airlines, Inc.
P.O. Box 619616, MD 5628
DFW Airport, Texas 75261

C. DAVID CUSH
Vice President - International Planning and
 Alliances
American Airlines, Inc.
P.O. Box 619616, MD 5639
DFW Airport, Texas 75261

WILLIAM K. RIS, JR.
Senior Vice President Government Affairs
American Airlines, Inc.
1101 17th Street, N.W.
Suite 600
Washington, D.C. 20036

J. OTTO GRUNOW
Managing Director - International Affairs
American Airlines, Inc.
P.O. Box 619616, MD 5639
DFW Airport, Texas 75261

GREG J. SIVINSKI Senior Attorney American Airlines, Inc. P.O. Box 619616, MD 5675 DFW Airport, Texas 76261

CARL B. NELSON, JR.
Associate General Counsel
American Airlines, Inc.
1101 17th Street, N.W.
Suite 600
Washington, D.C. 20036
(202) 496-6547
(202) 857-4246 (fax)
carl.nelson@aa.com (email)

April 11, 2002

BEFORE THE

DEPARTMENT OF TRANSPORTATION WASHINGTON, D. C.

Joint Application of

AMERICAN AIRLINES, INC.

mation from public disclosure.

and FINNAIR OYJ

OST-2002-12063

under 49 USC 41308 and 41309 for approval of and antitrust immunity for agreement

JOINT MOTION OF AMERICAN AIRLINES, INC.

American Airlines, Inc. and Finnair Oyj, under 14 CFR 302.12, hereby jointly move that the Department withhold certain proprietary and commercially sensitive confidential infor-

AND FINNAIR OYJ FOR CONFIDENTIAL TREATMENT UNDER 14 CFR 302.12

American and Finnair are separately submitting confidential information in connection with their captioned joint application for approval of and antitrust immunity for an alliance agreement, which was filed on April 4, 2002. The confidential documents are identified and described in the attached indexes. We request that access to these documents be limited to counsel and outside experts for interested parties.

In support of this motion, the joint applicants respectfully state as follows.

I. THE CONFIDENTIAL INFORMATION IS PROTECTED FROM PUBLIC DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT

The confidential information being submitted by American and Finnair is protected from public disclosure under various exemptions in the Freedom of Information Act, including 5 USC 552(b)(3) and 5 USC 552(b)(4).

Exemption (4) exempts from public disclosure "trade secrets and commercial or financial information obtained from a person and privileged or confidential." This exemption has been construed to prevent public disclosure of information that is not the type usually released to the public, and that if released would cause substantial harm to the competitive position of the person from whom the information was obtained. See, e.g., Gulf & Western Industries, Inc. v. United States, 615 F.2d 527, 530 (D.C. Cir. 1980); American Airlines, Inc. v. NMB, 588 F.2d 863, 871 (2d Cir. 1978); National Parks & Conservation Ass'n v. Kleppe, 547 F.2d 673, 684 (D.C. Cir. 1976); Joint Application of Delta and Virgin Atlantic, Order 94-5-42, May 28, 1994; Joint Application of United and Lufthansa, Order 93-12-32, December 18, 1993; Joint Application of Northwest and KLM, Order 93-1-11, January 8, 1993, p. 19; Information Directives Concerning CRS, Order 88-5-46, May 22, 1988; Carrier-Owned Computer Reservations Systems, ER-1385, Order 86-5-54, May 19, 1986; Information Directives Concerning CRS, Order 8312-136, December 29, 1983. The purpose of these exemptions "is to protect the confidentiality of information which citizens provide to their government, but which would customarily not be released to the public, and to facilitate citizens' ability to confide in their government." <u>Burke Energy Corp. v. DOE</u>, 583

F.Supp. 507, 510 (D. Kansas 1984).

For information to qualify for exemption (4), the information must be (1) commercial or financial in nature, (2) obtained from a person, and (3) privileged or confidential.

See Public Citizen Health Research Group v. FDA, 704 F.2d 1280, 1290 (D.C. Cir. 1983). All of the confidential information being submitted by American and Finnair satisfies this three-part test.

First, the confidential information is commercial or financial in nature, in that it relates to commercially sensitive, proprietary, and privileged financial and corporate information. This type of confidential information is proprietary and commercially sensitive, and would not otherwise be made public. It is being submitted to the Department so that the Department can expeditiously evaluate the public interest benefits that will result from granting approval of and antitrust immunity for the American/Finnair alliance.

Second, the information has been "obtained from a person" within the meaning of exemption (4).

Third, the information is "confidential." This confidential information is not available to the public, and its public disclosure is not required to further the public interest or to promote competition. In National Parks & Conservation Ass'n v. Morton, 498 F.2d 765, 770 (D.C. Cir. 1974), the Court held that information is "confidential" for purposes of exemption (4) if it would not customarily be released to the public by the person from whom it was obtained, and if disclosure is likely to have either of the following results: "(1) to impair the Government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained."

American and Finnair submit that public disclosure of the type of confidential information at issue here would cause substantial harm to their competitive position, and could impair the Government's ability to obtain similar information on a voluntary basis from individuals in the future.

II. ACCESS TO THESE HIGHLY SENSITIVE DOCUMENTS SHOULD BE LIMITED TO COUNSEL AND OUTSIDE EXPERTS

American and Finnair are submitting highly sensitive internal corporate documents, studies, surveys, analyses, reports, and data which should be accorded limited access. Such access should be granted only to counsel and outside experts who file Rule 12 affidavits stating that the affiant

will (1) use the information only for the purpose of participating in this proceeding, and (2) not disclose such information to anyone other than counsel or outside experts who have filed a valid affidavit.

The subject materials contain highly sensitive commercial information relating to the joint applicants' international planning and strategic decisionmaking. The information contained in these documents has not been publicly released. If released, competitors would gain valuable insights into the joint applicants' internal strategies and objectives with respect to the most competitively sensitive matters.

In order to minimize the risk of harmful disclosure of this competitively sensitive information, access should be strictly limited, as requested. American and Finnair are separately filing, concurrently with this motion, five copies of this information, in sealed cartons labeled "Confidential Treatment Requested Under 14 CFR 302.12; Access Is Limited To Counsel Or Outside Experts Who Have Filed Valid Affidavits."

The request to limit disclosure to counsel and outside experts is fully consistent with Department precedent and policy. Thus, in United/Lufthansa, Order 93-12-32, suppra, the Department granted the applicants' request to limit access to certain confidential information to counsel and outside

experts who filed Rule 39 (now Rule 12) affidavits. In so limiting such access, the Department balanced the disclosure of the confidential information against the competitive harm to the applicants that would result if access were expanded, and concluded that "the undue competitive harm to the applicants outweighs the commenters' need for expanded access to the highly sensitive material in this case" (p. 5). The Department also noted that "interested parties to this proceeding can obtain adequate advice on the merits of the application through outside experts and persons authorized to review the materials" (id.). See also, e.g., Joint Application of American and Canadian International, Order 96-1-6, January 11, 1996, p. 3.

Access to the joint applicants' internal documents and data should be limited in a comparable manner, in light of the undue competitive harm that would result from a broader disclosure of such highly sensitive information.

CONCLUSION

The Department should grant this joint motion to withhold proprietary and commercial sensitive confidential information from public disclosure, as American and Finnair the have requested herein.

Respectfully submitted,

JOHN L. RICHARDSON

Attorney for Finnair Oyj

CARL B. NELSON, JR.
Associate General Counsel
American Airlines, Inc.

April 11, 2002

AMERICAN AIRLINES, INC. INDEX OF CONFIDENTIAL DOCUMENTS

Number	<u>Date</u>	Description
000101- 000120	3/20/02	Alliance Agreement between Finnair Oyj and American Airlines, Inc.
000121- 000160	11/1/99	Codeshare Agreement between Finnair Oyj and American Airlines, Inc., as amended and restated
000161- 000208	9/24/98	Codeshare Agreement between Finnair Oyj and American Airlines, Inc., with subse- quent amendments
000209~ 000212	12/15/95	Special Prorate Agreement between American Airlines, Inc. and Finnair
000213- 000217	3/1/99	Special Prorate Agreement between American Airlines, Inc. and Finnair Oyj
000218- 000244	12/15/95	Special Flight Interruption Manifest Settlement Procedure between American Airlines, Inc. and Finnair
000245 - 000246	6/1/00	Revenue Apportionment Agreement between American Airlines, Inc., Finnair Oyj, and other oneworld carriers
000247- 000316	9/15/98	AAdvantage Participating Carrier Agreement between Finnair Oyj and American Airlines, Inc.
000317- 000373	9/15/98	Finnair Plus Participating Carrier Agreement between American Airlines, Inc. and Finnair Oyj
000374	4/24/00	Email from Titus Mathew (AA) to Ronny Ronnqvist (AY) re CDG-HEL codeshare
000375	5/5/00	Letter from Pirkko Eskuri (CAA Finland) to Otto Grunow (AA) re AA/AY codeshare approval
000376	5/5/00	Letter from Virasb Vahidi (AA) to Maunu Von Lueders (AY) re new position
000377- 000396	7/18/00	Capacity Planning, Europe Strategy, Profit and Recommendations

000397- 000399	8/7/00	Letter from Bruce Bishop (AA) to Outi Koponen (AY) re insurance
000400- 000403	10/17/00	Note from Henry Joyner (AA) (with associated correspondence) to David Cush (AA) re AA/AY alliance
000404	10/24/00	Letter from Don Carty (AA) to Keijo Suila (AY) re AA/AY alliance
000405	10/27/00	Letter from Swedish Civil Aviation Administration to Finnair re AA/AY codeshare between Chicago and Helsinki via Stockholm
000406 - 000409	10/30/00	Email from Gregory Beatty (AA) to Mike Lenz (AA) re AA/AY codeshare commission proposal
000410	4/10/01	Letter from Mike Lenz (AA) to Kari Koli (AY) re new position
000411- 000412	5/31/01	Letter from Jennifer Stewart (AA) to Vuori Pekka (AY) re fare class mapping
000413- 000424	6/1/01	New AY* Service on AA
000425- 000436	6/5/01	Agenda and notes re AA/AY meeting at AA Headquarters in Dallas/Ft. Worth
000437	6/8/01	Letter from Estonian Civil Aviation Administration to FAA re AA/AY TLL-HEL codeshare
000438	Undated	U.SRussian Federation, Bilateral and Frequency Information
000439	6/15/01	Letter from Kyle O'Neal (AA) to Paul Gretch (DOT) re AA/AY codeshare to Estonia
000440	6/23/01	Letter from Paul Gretch (DOT) to Estonian Civil Aviation Administration re AA/AY codeshare
000441	8/21/01	Email from Karen Johnson (AA) to Anette Saarelma (AY) re fare class mapping

000442	9/11/01	Letter from Estonian Civil Aviation Administration to Andrew Segal (AA) approving AA/AY codeshare
000443	9/18/01	Email from Karen Johnson (AA) to Anette Saarelma (AY) re AA/AY codeshare issues
000444	9/24/01	Letter from Mike Lenz (AA) to Kari Koli (AY) re war risk insurance
000445- 000488	9/25/01	Agenda and presentation for AA/AY meeting, September 25-26, 2001, re cooperation and other issues
000489	10/15/01	Email from Allie Heimark (AA) to Beth Evans (AA) re potential AY* flights
000490- 000491	10/15/01	Email from Karen Johnson (AA) to Anette Saarelma (AY) re AA/AY codeshare flights
000492	10/16/01	Email from Karen Johnson (AA) to Anette Saarelma (AY) re agenda for 10/17/01 conference call re codeshare winter schedule and other issues
000493- 000495	10/31/01	Email from Karen Johnson (AA) to Anette Saarelma (AY) re notes of 10/17/01 con- ference call
000496	12/13/01	Email from Karen Johnson (AA) to Anette Saarelma (AY) re agenda for upcoming con- ference call
000497- 000498	12/18/01	Email from Rhonda Muckey (AA) to Hannele Vanska re fare class mapping
000499	1/10/02	Email from Karen Johnson (AA) to Anette Saarelma (AY) re conference call
000500	1/10/02	Email from Karen Johnson (AA) to Eila Nyberg (AY) re fare class mapping
000501	2/20/02	Email from Karen Johnson (AA) to Anette Saarelma (AY) re agenda for 2/21/02 conference call

000502- 000503	3/6/02	Email from Karen Johnson (AA) to Karr Cannelin (AY) re agenda for conference call
000504- 000505	3/7/02	Email from Karen Johnson (AA) to Anette Saarelma (AY) re agenda for conference call and notes from prior call
000506- 000508	3/18/02	Various correspondence re Estonian CAA
000509	Undated	Finnair Codeshare Services

FINNAIR OYJ INDEX OF CONFIDENTIAL DOCUMENTS

Number	<u>Date</u>	Description
001- 002	6/26/00	Letter from Ambassador of Finland to Mauri Leppala (AY) re Helsinki-DCA service
003	7/10/00	Letter from Mauri Leppala (AY) to Karen Johnson (AA) re Helsinki-DCA service
004 - 007	9/25/00	Memorandum of Meeting between American Airlines and Finnair
008	10/12/00	Letter from Keijo Sulla (AY) to Don Carty (AA) re alliances
009	1/10/01	Letter from Keijo Sulla (AY) to Don Carty (AA) re alliances
010	3/9/01	Letter from Mauri Leppala (AY) to Mike Lenz (AA) re Helsinki-DCA service
011	6/5/01	AA/AY Network Meeting on June 5 in the AA Corporate Headquarters/DFW
012- 013	6/5/01	AA/AY Network Meeting on June 5, 2001 in the AA Corporate Headquarters/DFW
014- 015	6/8/01	Email from Koponen Outi (AY) to Mike Lenz (AA) re AA/AY network meeting
016	6/11/01	Letter from Karl Baruch (AY) to Bruce Bishop (AA) re sales managers
017	6/13/01	Email from Vuori Pekka (AY) to Jennifer Stewart (AA) re fare class mapping
018 023	8/10/01	Email from Pekka Vuori (AY) to Jennifer Stewart (AA) re fare class mapping
024 030	8/22/01	Email from Pekka Vuori (AY) to Jennifer Karen Johnson (AA) re D-class passengers
031- 038	9/21/01	Letter from Outi Koponen (AY) to Bruce Bishop (AA) re insurance
039- 043	9/28/01	Email from Pekka Vuori (AY) to Debra Lafleur (AA) re D-class passengers

044- 045	1/15/02	Email from Nyberg Eila (AY) to Debra Lafleur (AA) re booking classes
046- 056	1/24/02	Email from Boman Elina (AY) to Debra Lafleur (AA) re AA/AY procedures manual
057- 058	2/15/02	Email from Cannelin Karr (AA) to Karen Johnson (AA) re codeshare options
059- 061	2/26/02	Letter from Christina Sukanen (AY) to Linh Quach (AA) re interim state guarantee and indemnity

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document by email on the following persons:

bkeiner@crowell.com

robert.cohn@shawpittman.com

sascha.vanderbellen@shawpittman.com

megan.rosia@nwa.com

jmanley@wilmer.com

dbassett@amerijet.com

jfry@woa.com

lhalloway@crowell.com

nathaniel.breed@shawpittman.com

dvaughan@kelleydrye.com

jamestello@earthlink.net

roger.fones@doj.gov

tcbentdw@hq.transcom.mil

CARL B. NELSON. JR

April 11, 2002